

House, No. 4110

BILL, printed as amended
TO PROMOTE QUALITY AND
AFFORDABLE MUNICIPAL HEALTH INSURANCE
THROUGH THE GROUP INSURANCE COMMISSION

H. R., June 21, 2007.
Rec. (W&M) new draft of H. 4105

*Substituted (as recom. by
W&M) for H. 4105; and
Ord 3rd.*

EMERGENCY PREAMBLE

H. R., Correctly drawn.

Contains an Emergency Preamble.

[Signature]
For the House Committee on Bills
in the Third Reading

read 3rd.

1. Amended (Kaufman, et al);
 2. Amended (O'Flaherty, et al);
 3. Amended (Kaprielian);
 4. Amended (Kaprielian);
- engrossed (H.R.C.#106).

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The Commonwealth of Massachusetts

IN THE YEAR TWO THOUSAND

AN ACT

to Reduce the Reliance on Property Taxes through Municipal Health Care.

~~to Promote Quality and Affordable Municipal~~

~~Health Insurance through the Group Insurance Commission~~

Whereas, the deferred operation of this act would tend to defeat its purpose, which is forthwith to provide affordable health insurance coverage for cities and towns, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1.

To provide for certain unanticipated obligations of the commonwealth, to provide for an alteration of purpose for current appropriations and to meet certain requirements of law, the sums set forth in this section are hereby appropriated from the General Fund unless specifically designated otherwise in this section for the several purposes and subject to the conditions specified in this section, and subject to the laws regulating the disbursement of public funds for the fiscal year ending June 30, 2007. These sums shall be in addition to any amounts previously appropriated and made available for the purposes of said items.

1108-5201 For the costs incurred by the group insurance commission associated with providing municipal health coverage pursuant to section 19 of chapter 32B of the General Laws; provided, that the commission may expend revenues in an amount not to exceed \$1,000,000 from the revenue received from administrative fees associated with providing said municipal health coverage pursuant to the provisions of section 19 of chapter 32B of the General Laws; and provided further, that notwithstanding any general or special law to the contrary, for the purpose of accommodating timing discrepancies between the receipt of revenues and related expenditures, the commission may incur expenses and the comptroller may certify for payment the amounts not to exceed the lower of this authorization or the most recent revenue estimate, as reported in the state accounting system.....\$1,000,000

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SECTION 2. Section 19 of chapter 32 of the General Laws, as appearing in the 2006 Official Edition, is hereby amended by adding the following paragraph:-

A retirement board in the case of a retiree is authorized to deduct the per cent contribution of health insurance premiums for all retired members receiving group life insurance, group accidental death and dismemberment insurance, group general or blanket hospital, surgical, medical, dental or other health insurance coverage pursuant to chapter 32B from the respective retiree pension check. In the event that ~~that~~ the amount of a retired member's pension check is insufficient to accommodate the entire deduction, upon notice from the retirement board, the employer for whom the member last worked and from whom the member is retired shall bill the retired member for the employee share of the premiums.

Paragraph (b) of
SECTION 3. *Section 2 of chapter 32A of the General Laws, as so*
appearing, is hereby amended by inserting after the word second
sentence ~~"employees."~~ *sentence* ~~in line 27, the following words:-~~ A person
employed by a regional council of government created pursuant
section 20 of chapter 34B or regional planning district or
commission created pursuant to chapter 40B shall be considered
an employee under chapter 32A and subject to the terms and
conditions of chapter 32A, including but not limited to, premium
contribution ratios, in the event that the governing body of the
regional council of government or the regional planning district

or commission votes to accept said status and notifies the Commission of said vote.

~~SECTION 4. Said chapter 22A of the General Laws, as so~~

~~appearing,~~ is hereby further amended by striking out section 3 and inserting in place thereof the following sections:-

~~Section 3. There shall be established within the executive office of administration and finance, but not subject to the jurisdiction or control thereof, a special unpaid commission, to be known as the group insurance commission, consisting of the commissioner of administration and finance, the commissioner of insurance, the deputy commissioner of the department of revenue for local services, and 10 members to be appointed by the governor, 1 of whom shall be a retired state employee, 1 of whom shall be a health economist, and at least 3 of whom shall be full time state employees, of whom 1 shall be a member of the Massachusetts Public Employees Council, #23, AFSCME, Massachusetts State Labor Council, AFL-CIO, 1 of whom shall be a member of the Massachusetts State Employees Association, NAGE, 1 of whom shall be a member of Local 254, S.E.I.U., Massachusetts State Labor Council, AFL-CIO, and 1 of whom shall be a labor representative from a list of 3 representatives nominated by the president of the teachers' union with the greatest amount of active and retired members enrolled in combination health plans.~~

SECTION 4. Said chapter 32A of the General Laws, as so appearing, is hereby further amended by striking out section 3 and inserting in place thereof the following section:-

Section 3. There shall be established within the executive office of administration and finance, but not subject to the jurisdiction or control thereof, a special unpaid commission, to be known as the group insurance commission, consisting of the commissioner of administration and finance, the commissioner of insurance, and 11 members to be appointed by the governor, 1 of whom shall be a retired state employee, 1 of whom shall be a health economist, and at least 3 of whom shall be full time state employees, of whom 1 shall be a member of the Massachusetts Public Employees Council, #93, AFSCME, Massachusetts State Labor Council, AFL-CIO, 1 of whom shall be a member of the Massachusetts State Employees Association, NAGE, 1 of whom shall be a member of Local 254, S.E.I.U., Massachusetts State Labor Council, AFL-CIO. In addition, upon the transfer and continuation of 10,000 subscribers to the group insurance commission pursuant to section 19 of chapter 32B, one management representative shall be appointed by the governor from a list of 3 representatives nominated by the Massachusetts Municipal Association, and 1 labor representative shall be appointed by the governor from a list of 3 representatives nominated by the president of the teachers' union with the greatest amount of active and retired members enrolled in commission health plans. In addition, upon the transfer and continuation of 45,000 subscribers to the group insurance commission pursuant to section 19 of chapter 32B, the governor shall appoint 2 additional members, 1 of whom shall be a second labor representative, other than a member of a teachers' union, from a list of 3 representatives nominated by the president of the Massachusetts Chapter of the AFL-CIO, and 1 of whom shall be an expert in the field of health insurance. Not more than 55 percent of the members of the commission shall be members of the same political party. No member appointed by the governor shall be an insurance agent, broker, employee or officer of any insurance company. Upon the expiration of the term of office of any appointive member, his successor shall be appointed in like manner for a term of 3 years. The commission shall be provided with suitable offices and may, subject to appropriation, incur expenses and appoint an executive director who shall be the executive and administrative head thereof and who shall not be subject to the provisions of chapter 31. The commission may empower the executive director to appoint such employees as may be necessary to administer the provisions of this chapter. There shall be paid by the commonwealth to each appointive member of said commission the necessary expenses actually incurred in the discharge of his official duties. The commission shall adopt such reasonable rules and regulations as may be necessary for the administration of this chapter and shall make an annual report to the governor and to the general court which shall include any modifications or amendments made to contracts executed pursuant to this chapter and shall be in such form as to enable employees to understand the benefits available from the insurance program, including the cost thereof.

In addition, upon the transfer and continuation of 45,000 subscribers to the group insurance commission pursuant to section 19 of chapter 32B, the governor shall appoint 2 additional members, 1 of whom shall be a second labor representative, other than a member of a teachers' union, from a list of 3 representatives nominated by the president of the Massachusetts Chapter of the AFL-CIO, and 1 of whom shall be an expert in the field of health insurance. Not more than 55 percent of the members of the commission shall be members of the same political party. No member appointed by the governor shall be an insurance agent, broker, employee or officer of any insurance company. Upon the expiration of the term of office of any appointive member, his successor shall be appointed in like manner for a term of 3 years. The commission shall be provided with suitable offices and may, subject to appropriation, incur expenses and appoint an executive director who shall be the executive and administrative head thereof and who shall not be subject to the provisions of chapter 31. The commission may empower the executive director to appoint such employees as may be necessary to administer the provisions of this chapter. There shall be paid by the commonwealth to each appointive member of said commission the necessary expenses actually incurred in the discharge of his official duties. The commission shall adopt such reasonable rules and regulations as may be necessary for

~~the administration of this chapter and shall make an annual
clerk of the house of representatives and the state
report to the governor and to the general court which shall
include any modifications or amendments made to contracts
executed pursuant to this chapter and shall be in such form as
to enable employees to understand the benefits available from
the insurance program including the cost thereof.~~

SECTION 5. Chapter 32B of the General Laws is hereby amended by striking out section 19, as so appearing, and inserting in place thereof the following section:-

Section 19. (a) As used in this section the following words shall, unless the context clearly requires otherwise, have the following meanings:-

"Acceptance", the execution of a written agreement between the appropriate public authority and the public employee committee; provided further, that said acceptance shall require a vote of the appropriate public authority and a ^{per cent} 70¹/₄ weighted vote of the public employee committee.

"Appropriate public authority", in a county except in Worcester county, the county commissioners; in a city having a Plan D or a Plan E charter, the city council and the manager; in any other city the city council and the mayor; in a town, the board of selectmen; in a regional school district, the regional district

school committee; and in all other districts, the governing board thereof.

"Commission", the group insurance commission established pursuant to chapter 32A.

"District", any water, sewer, light, fire, veterans' services or other improvement district or public unit created within ~~one~~^{one} or more political subdivisions of the commonwealth for the purpose of providing public services or conveniences.

"Executive director", the executive director of the group insurance commission established pursuant to chapter 32A.

"Governmental unit", any political subdivision of the commonwealth.

"Political subdivision", any county, except Worcester county,

^{any} city, town, ~~or~~ district ~~or~~

"Public employee committee", a committee consisting of a representative of each collective bargaining unit with which the governmental unit negotiates pursuant to chapter 150E and a retiree; provided, however, that the retiree representative shall be a designee of the Retired State, County and Municipal Employees Association.

"Subscribers", employees, retirees, surviving spouses, or dependents of the governmental unit, and any employees, retirees, surviving spouses or dependents of a district

previously receiving health insurance benefits through the governmental unit accepting this section.

"Weighted vote", the vote of a public employee committee wherein the retiree representative shall have a 10 per cent vote on the committee while the remaining 90 per cent of the vote shall be divided as follows: each collective bargaining unit represented on the public employee committee shall have a weighted vote equal to the proportion which the number of subscribers eligible for health insurance pursuant to this chapter employed in the bargaining unit he represents bears to the total number of subscribers eligible for health insurance in all bargaining units of the governmental unit.

"Written agreement", an agreement between an appropriate public authority and a public employee committee agreeing to the acceptance of this section; provided further, that said written agreement may condition acceptance of this section upon the transfer of subscribers to the commission pursuant to subsection (c); and provided further, that said agreement shall be binding on all subscribers.

(b) Notwithstanding the provisions of any other section in this chapter, the appropriate public authority of any governmental unit which has undertaken to provide health coverage to its subscribers by acceptance of any other section of this chapter

may instead elect to provide health coverage to all such subscribers pursuant to the provisions of this section, by entering into a contract or contracts with any 1 or more health carriers, or by transferring such subscribers to the commission, pursuant to subsection (c). Except as otherwise provided in subsection (c), any such contract or contracts with any one or more health insurance carriers shall be in conformity with an agreement reached by an appropriate public authority and a public employee committee. Such election by the appropriate public authority may be renewed in conformity with any successor agreement reached with a public employee committee.

This section shall take effect in a county, except in Worcester county, city, town or district upon its acceptance by the appropriate public authority; provided, however, that acceptance of this section shall only take effect upon the execution of a written agreement between the appropriate public authority and the public employee committee. The public employee committee or the appropriate public authority may convene the initial meeting of said committee at any time upon 30 days notice and failure to participate in said meeting shall be grounds for an impasse proceeding pursuant to chapter 150E.

For the purposes of this section, a health carrier shall include any insurance company organized pursuant to chapter 175,

hospital service corporation organized pursuant to chapter 176A, medical service corporation organized pursuant to chapter 176B, a health maintenance organization organized pursuant to chapter 176G, a preferred provider organization organized pursuant to chapter 176I, or, in the case of a governmental unit which is partially or fully self-insured with respect to health coverage, any third party administrator selected by the governmental unit, which may include but is not limited to any health carrier.

A governmental unit which elects to provide health coverage to subscribers pursuant to this section shall be deemed in full compliance with any other provisions of this chapter regulating the procurement of health insurance.

A governmental unit which elects to provide health coverage pursuant to this section pursuant to an agreement approved by a public employee committee, may provide such coverage either as a single governmental unit or, pursuant to section 12, through joint purchase with other governmental units or, with multiple governmental units, through a risk-sharing pool, trust or health carrier or third party administrator, or by making payments to a health and welfare trust fund to provide health coverage pursuant to this section either as a single governmental unit or together with multiple governmental units.

The appropriate public authority may contract with a health carrier for direct coverage of subscribers for whom the carrier's geographic service area provides appropriate access and coverage for other subscribers in accordance with the provisions of this section.

Nothing in this section shall be deemed to require, preclude or permit any change in any aspect of health coverage for subscribers authorized by this section except where an agreement to provide for such change is reached by an appropriate public authority and a public employee committee in an agreement entered into or modified subsequent to the effective date of this subsection except as otherwise provided in subsection (c). In the absence of a successor agreement approved pursuant to this section the prior agreement of the public employee committee and the appropriate public authority regarding the provision of health insurance shall remain in effect.

Nothing in this section shall be construed so as to relieve any governmental unit from providing health coverage to any employee, retiree, surviving spouse or dependent to whom it has an obligation to provide coverage pursuant to any other provision of this chapter.

The agreement reached between an appropriate public authority and the public employee committee shall provide for those subscribers who, by reason of residence or domicile, cannot be appropriately served within the service area of the health carrier or carriers included in said agreement, subject to the provisions set forth in this subsection.

Coverage for subscribers pursuant to this subsection shall be pursuant to, and in conformity with, the agreement required by this section and shall conform to all requirements of this section. The agreement reached between an appropriate public authority and the public employee committee shall provide that any subscriber who for reasons of residency is not eligible for enrollment in any such plan offered by a governmental unit shall be covered under a plan offered pursuant to chapter 176I, if any such plan is provided for pursuant to said agreement; provided, that any such subscriber living 10 miles or more from the nearest primary care physician providing care under said plan shall have out-of-pocket payments and medical deductibles limited to the amount that he would have paid had he utilized the network of medical services of the plan offered pursuant to chapter 176I. If the agreement reached between the appropriate public authority and the public employee committee provides for only health maintenance organizations or other health carriers

that limit enrollment to a particular geographic area, then, notwithstanding any general or special law to the contrary, health maintenance organizations or other health carriers shall provide for the coverage of services provided or arranged for all subscribers who do not reside within the geographic service area of said carriers in the following manner:- any subscriber not eligible for direct coverage due to his residency shall have the same benefit schedule and premium contribution provided to subscribers residing within the carrier's geographic service area, including but not limited to covered services, out-of-pocket payments and medical deductibles for any and all medical services provided for or arranged pursuant to such agreement.

Notwithstanding any general or special law to the contrary, any governmental unit that self-insures its group health plan pursuant to the provisions of section 3A which has a deficit in its claims trust fund at the time of transferring its subscribers to the commission attributable to failure to accrue claims which had been incurred but not paid shall be authorized to capitalize the deficit and amortize said amount over not more than 10 fiscal years.

(c) Where an agreement pursuant to this section is reached by an appropriate public authority and the public employee committee the appropriate public authority shall notify the commission

that it will transfer to said commission all subscribers for whom it provides health coverage. Such notice shall be provided no later than October 1 for the transfer of said subscribers to the commission at the beginning of the next fiscal year. On the effective date of the transfer, the health insurance of all subscribers, including elderly governmental retirees previously governed by section 10B of chapter 32A and retired municipal teachers previously governed by section 12 of chapter 32A, shall be provided through the commission for all purposes and governed pursuant to this section. As of the effective date and for the duration of said transfer, subscribers transferred to the commission's health coverage shall receive group health insurance benefits determined exclusively by the commission, which coverage shall not be subject to collective bargaining with the exception of contribution ratios which shall be determined by the written agreement between the appropriate public authority and the public employee committee.

An agreement between a governmental unit and a public employee committee pursuant to this section, including an agreement to transfer subscribers to the commission, shall provide that within the same health coverage plan the percentage contributed by the governmental unit to the premium or cost of health coverage shall be the same for all subscribers covered

pursuant to this section. Said payments shall differ only by the type of coverage elected under the plan, individual, family, optional Medicare extension or other; provided, however, that the percentage contributed by the governmental unit may vary among the different health coverage plans offered under said agreement between the governmental unit and the public employee committee. Said agreement shall provide that the percentage contributed by the governmental unit to the premium or cost of at least 1 Medicare extension plan available to all eligible subscribers shall be no less than the minimum percentage contributed by said governmental unit to any other health coverage plan offered pursuant to the agreement reached pursuant to this section. Any governmental unit accepting the provisions of this section shall establish by agreement with the public employee committee a contribution by said governmental unit to said premium or cost of health coverage that provides for a minimum of 50 per cent but not more than 99 per cent.

Notwithstanding the provisions of this subsection, where there is an agreement to transfer subscribers to the commission, subscribers whose coverage was governed by section 10B of chapter 32A or section 12 of said chapter 32A prior to the date that the written agreement is signed, shall not be required to contribute more than 25 per cent of their health insurance premiums, provided, however, that said written agreement may

provide for a premium contribution paid by such subscribers of less than 25 per cent.

An agreement executed pursuant to this section shall be binding on all active and retired employees for whom health coverage is being purchased and shall supersede any conflicting provisions of all collective bargaining agreements and shall itself not be subject to supersedence in any impasse proceeding pursuant to chapter 150E; provided, further, that said agreement may include, but shall not be limited to, procedures for resolving an impasse in negotiations for a successor agreement. Any dispute arising over the interpretation or application of the agreement may be submitted to binding arbitration pursuant to the labor arbitration provisions of the American Arbitration Association upon request of the public employee committee or the appropriate public authority, except as otherwise provided in subsection (d); provided, however, that said request shall be approved by the weighted vote of the representatives on the public employee committee as set forth in this section, or by the appropriate public authority.

All subscribers transferred to said commission who are eligible or become eligible for Medicare coverage shall be required to transfer to Medicare coverage, as prescribed by the commission. In the event of transfer to Medicare, the

governmental unit shall pay any Medicare part B premium penalty assessed by the federal government on said subscribers as a result of enrollment in Medicare part B at the time of transfer into the Medicare health benefits supplement plan.

For each subscriber's premium and the governmental unit's share of said premium, said subscriber and the governmental unit shall furnish to the commission, in such form and content as the commission shall prescribe, all such information it determines to be necessary to maintain subscribers' and covered dependents' health coverage. The appropriate public authority of the governmental unit shall perform such administrative functions and process such information as the commission deems necessary to maintain said subscribers' health coverage, including but not limited to, family and personnel status changes and shall report all such changes monthly to the commission.

(d) To the extent authorized by chapter 32A, the commission shall provide group coverage of subscribers' health claims incurred after transfer to said commission. The claim experience of all such subscribers shall be maintained by the commission in a single pool and combined with the claim experience of all state employees and retirees and their surviving spouses and dependents, including those subscribers that previously received coverage pursuant to sections 10B and 12 of chapter 32A.

Contribution ratios of subscribers pursuant to this section shall be determined pursuant to the written agreement between the appropriate public authority and the public employee committee.

~~Contribution ratios of subscribers pursuant to this section shall be determined pursuant to collective bargaining agreements and incorporated in the written agreement between the appropriate public authority and the public employee committee.~~

The commission shall determine all other matters relating to subscribers' group health insurance rights, responsibilities, obligations including, but not limited to, the manner and method of payment, schedule of benefits, eligibility requirements, choice of health carriers, costs and payments; provided further, that these matters shall be determined exclusively by the commission and shall not be subject to collective bargaining, the written agreement, or to arbitration pursuant to said agreement. The commission may, in accordance with the provisions of chapter 30A, promulgate rules and regulations for the administration and enforcement of this section.

Said commission shall negotiate and purchase health coverage for subscribers transferred pursuant to subsection (c) and shall promulgate regulations, policies, and procedures for coverage of such subscribers so transferred. The schedule of benefits available to such transferred subscribers shall be determined by said commission in accordance with chapter 32A. Said commission shall offer such subscribers the same choice as to health carriers and benefits as those provided to state

employees and retirees pursuant to chapter 32A. The governmental unit's contribution to the cost of health coverage for such subscribers shall be determined pursuant to this section, and shall not be subject to the provisions on contributions established pursuant to chapter 32A; provided, further, that a governmental unit shall notify the commission of a change to contribution ratios annually no later than January 15 and said changes shall become effective as of the following July 1.

(e) Any governmental unit transferring subscribers to the commission pursuant to this section shall pay the commission for all costs of its subscribers' coverage, including the entire cost of applicable administrative expenses and the governmental unit's proportional cost of subscribers' premium. The commission shall determine on a periodic basis the amount of premium and administrative expenses which the governmental unit shall pay to the state treasurer, and shall certify the amounts determined as aforesaid to the state treasurer for assessment. The state treasurer shall issue a warrant in the manner provided by section 20 of chapter 59 requiring the governmental unit to pay into the treasury of the commonwealth as prescribed by the commission the amounts of such premium and administrative expenses attributable to said governmental unit. The treasurer shall bill the participating governmental unit for the full cost of coverage, including said administrative fee, in accordance

with policies and procedures established by said commission and the treasurer. To the extent a governmental unit shall fail to provide all or any portion of such full cost of coverage to the commission, the executive director shall certify the amount that is unpaid to the state treasurer and the state treasurer shall reduce amounts distributable or payable by the commonwealth to said governmental unit by the amount unpaid in accordance with said section 20 of chapter 59 of the General Laws. In the event that a governmental unit fails to pay to the treasurer the full cost of coverage for more than 90 days and funds available pursuant to said section 20 of chapter 59 are an inadequate source of payment, the commission may, at its discretion, cancel the coverage of subscribers of said governmental unit. In the event of cancellation due to nonpayment, the governmental unit shall provide all subscribers health coverage under plans which are the actuarial equivalent of plans offered by the commission in the preceding year until there is an agreement with the public employee committee providing for replacement coverage.

Said commission may charge the governmental unit an administrative fee of not more than 1 per cent of the cost of total premiums for the governmental unit, to be determined by said commission which shall be considered as part of the cost of coverage for purposes of determining the contributions of the governmental unit and its employees to the cost of health

coverage by the commission. Any such administrative fee charged pursuant to this section shall be deposited in a retained revenue account and shall be used by said commission to pay any personnel or other costs associated with the administration of municipal insurance health coverage pursuant to the provisions of this section.

~~(f) Notwithstanding the provisions of subsection (c) of section 4B of chapter 4, the acceptance of this section may be revoked in the same manner it was accepted in accordance with all other subsections of section 4B of said chapter 4, subject to the requirements of any public employee committee agreements as provided in this section and chapter 150E; provided, however, that revocation of this section shall not take effect until a written agreement providing for such revocation is reached between the appropriate public authority and the employee committee established herein. Nothing in this section shall preclude an appropriate public authority from agreeing to establish a health and welfare trust fund pursuant to section 15.~~

Upon the transfer of its subscribers to the commission pursuant to this section, a governmental unit shall only be eligible to withdraw from commission coverage on the third anniversary of the date of transfer of subscribers to the

commission, and each third anniversary thereafter; provided further, that said withdrawal shall be in accordance with the written agreement between the appropriate public authority and the public employee committee which shall specify the withdrawal procedures including, but not limited to, the procedures for resolving an impasse in negotiations over whether to withdraw from commission coverage and for determining health coverage and contribution ratios for subscribers for the year following withdrawal.

A governmental unit shall notify the commission of its intention to withdraw its subscribers from the commission by October 1 of the fiscal year prior to the effective date of withdrawal, which shall be effective for the fiscal year immediately following the governmental unit's notice to the commission. Except as otherwise provided in the written agreement, withdrawal from commission coverage shall revoke the acceptance of this section and any written agreements related to the implementation of this section as of the effective date of withdrawal. In the event of a withdrawal pursuant to this section, the appropriate public authority of the governmental unit shall abide by all commission requirements for effectuating such withdrawal, including any applicable notice requirements. In the event a governmental unit withdraws from commission

coverage pursuant to this section, such withdrawal shall be binding on all subscribers, including those subscribers who, prior to the transfer to the commission, received coverage from the commission pursuant to sections 10B and 12 of chapter 32A; provided, however, that, after withdrawal from the commission, those subscribers that received coverage from the commission pursuant to said sections 10B and 12 shall not be required to pay greater than 25 per cent of the cost of their health insurance premiums.

On the effective date of a withdrawal pursuant to this section the governmental unit and its subscribers shall return to governance of negotiations of health insurance pursuant to chapter 150E and this chapter relating to healthcare coverage for subscribers thereafter.

In the event of withdrawal from the commission pursuant to this section, all retirees, their spouses and dependents insured or eligible to be insured by the governmental unit, if enrolled in Medicare part A at no cost to the retiree, spouse or dependents, shall be required to be insured by a Medicare extension plan offered by the governmental unit pursuant to section 11C or section 16. Each retiree shall provide the governmental unit, in such form as the governmental unit shall prescribe such information as is necessary to transfer to a

Medicare extension plan. If a retiree does not submit the information required, he shall no longer be eligible for his existing health coverage. The governmental unit may from time to time request from any retiree, a retiree's spouse and dependents, proof certified by the federal government of his or her eligibility or ineligibility for Medicare part A and part B coverage. The governmental unit shall pay any Medicare part B premium penalty assessed by the federal government on said retirees, spouses and dependents as a result of enrollment in Medicare part B at the time of transfer into the Medicare health benefits supplement plan.

SECTION 6. Notwithstanding any general or special law to the contrary, any agreement pursuant to section 19 of chapter 32B of the General Laws in effect as of the effective date of this act shall remain in effect.

(g) For the purposes of this section, teachers and other employees employed by a charter school, as defined pursuant to section 89 of chapter 71, who are subject to retirement systems under chapter 32 shall be considered subscribers eligible for coverage for purposes of this section. Acceptance of this section or said subscribers shall be by vote of the board of trustees of said charter school."

Inserted: f